

**FISCAL NOTE
PRIVATE COST**

- I.** **Department Title:** Title 12—DEPARTMENT OF REVENUE
 Division Title: Division 10—Director of Revenue
 Chapter Title: Chapter 41—General Tax Provisions

Rule Number and Name:	12 CSR 10-41.010 Annual Adjusted Rate of Interest
Type of Rulemaking:	Proposed Amendment

II. SUMMARY OF FISCAL IMPACT

Estimate of the number of entities by class which would likely be affected by adoption of the proposed amendment:	Classification by types of business entities which would likely be affected:	Estimate in the aggregate as to the Cost of compliance with the rule for the affected entities:
Any taxpayer with delinquent tax.	Any taxpayer with delinquent tax.	Because the 2015 interest rate imposed on delinquent taxes will be the same rate imposed in 2014, the aggregate impact on private entities will be less than \$500.

III. WORKSHEET

The proposed amendment sets the rate of interest for 2015 at three percent (3%), the same rate as 2014.

The future amount of past due taxes is unknown. Because the 2015 interest rate imposed on delinquent taxes will be the same rate imposed in 2014, there will be no additional cost to private entities.

	Current Rule – 3%	Proposed Amendment – 3%
Past due tax amount	\$100.00	\$100.00
Interest amount	3.00%	3.00%
Total Amount Due	\$103.00	\$103.00

IV. ASSUMPTIONS

Under section 32.065, RSMo, the director of revenue is mandated to establish an annual adjusted rate of interest based upon the adjusted prime rate charged by banks during September of that year as set by the Board of Governors of the Federal Reserve rounded to the nearest full percentage. The actual bank prime loan rate noted by the Federal Reserve in 2015 was three and one quarter percent (3.25%). Rounded to the nearest whole percentage results in a three percent (3%) interest rate.